
Public Utilities Commission of the State of California

Results of Public Agenda 3093

Meeting Held on Thursday, August 22, 2002 10:00 a.m.

San Francisco, California

Commissioners

Loretta M. Lynch, President (Present)

Geoffrey F. Brown (Present)

Henry M. Duque (Present)

Michael R. Peevey (Present)

Carl W. Wood (Present)

Website: <http://www.cpuc.ca.gov>

Scheduled Commission Meetings

505 Van Ness Avenue, San Francisco

<i>Ratesetting Deliberative Meeting*</i> <i>Room 5305</i> <i>(1:30 p.m.)</i> <i>Closed to the Public</i>	<i>Commission Meeting</i> <i>Auditorium</i> <i>(10 a.m.)</i> <i>Open to the Public</i>
Thursday, October 17, 2002 (San Francisco at 9:00 a.m.) (Will Be Held)	Thursday, October 17, 2002 (San Francisco at 11:30 a.m.)
Tuesday, October 22, 2002 (San Francisco)	Thursday, October 24, 2002 (San Francisco)
Monday, November 04, 2002 (San Francisco)	Thursday, November 07, 2002 (San Francisco)
Monday, November 18, 2002 (San Francisco)	Thursday, November 21, 2002 (San Francisco)
Monday, December 02, 2002 (San Francisco)	Thursday, December 05, 2002 (San Francisco)

**Ratesetting Deliberative Meeting dates are reserved as noted but will be held only if there are ratesetting matters to be considered and a Commissioner has requested that a Ratesetting Deliberative Meeting be held.*

For further information contact the Public Advisor
(415) 703-2074 E-mail: public.advisor@cpuc.ca.gov



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PUBLIC COMMENT

The following items are not subject to public comment:

- All items on the closed session agenda; these are HEX and EX items.
-

Public Comment:

Re H-5:

Greg Boll, Big Bear Lake, CA 92315

Michael Perry, Big Bear Lake, CA 92315

Re 4: Regina Costa, TURN, 711 Van Ness Ave., Ste 350, San Francisco, CA

Re EX-9:

Mahlon Aldudge, 2126 Ocean St. Ext., Santa Cruz, CA

Sam Cohen, Energy Solutions, 1738 Excelsior Ave., Oakland, CA 94602

Consent Agenda

Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each Commission meeting. Items may be removed from the Consent Agenda for discussion on the Regular Agenda at the request of any Commissioner prior to the meeting.

Orders and Resolutions

CA-1

Res TL-19010

874

Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.

Outcome Approved

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

CA-2

Res ALJ-176-3093

875

Ratification of preliminary determinations of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4 and 6.1 of the Commission's Rules of Practice and Procedure.

Outcome Approved

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**CA-3
736****R95-04-043 - Order Instituting Rulemaking on the Commission's own motion into competition for local exchange service.**

I95-04-044 - Related matters. This decision denies the City of Riverside Petition for Modification/Clarification of D98-10-058, regarding those sections of the Decision that relate to the Commission's "administrative adjudication process" for rights-of-way disputes between facilities-based telecommunications carriers and local governmental entities. The City seeks to apply the Decision to include nondominant interexchange carriers.

(Comr Peevey - ALJ Pulsifer)

(Agenda 3091, Item CA-9 7/17/2002)

Outcome Signed

[D02-08-048](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**CA-4
808****Res E-3771 - Southern California Edison Company (Edison).**

Edison requests approval of its 1999 Performance-Based Ratemaking Performance Report, which details revenue sharing calculations and service quality performance rewards for 1999. This resolution approves Edison's request. (Advice Letter 1449-E filed April 14, 2000).

(Agenda 3092, Item CA-6 8/8/2002 (Duque))

Outcome Approved

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**CA-5
869****A02-01-041 - Pacific Gas and Electric Company (PG&E).**

This decision denies PG&E's application for amendment to the Power Purchase Agreement between PG&E and Gaylord Container Corporation. This proceeding is closed.

(Comr Wood - ALJ DeBerry)

Outcome Held (9/19/02 Regular Agenda. For alternate.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

**CA-6
885**

Res G-3327 - San Diego Gas & Electric Company (SDG&E).

This resolution approves a request of SDG&E to approve its amended Distribution Performance-Based Ratemaking quality of service performance results for the year 2000. (Advice Letter (AL) 1308-E/1242-G filed March 30, 2001, and AL 1308-E-A/1242-G-A filed July 31, 2001).

Outcome Approved

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**CA-7
892**

A02-03-018 - Okab Fayad dba Superporter Express (Transferor) and El Sayed Elhamaki (Transferee).

This decision authorizes the Transferor to transfer his on-call passenger stage corporation to Transferee, who is authorized to establish a zone of rate freedom under this authority. This proceeding is closed.

(Exam Clark)

Outcome Signed

[D02-08-049](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**CA-8
895**

R97-10-016 - Order Instituting Rulemaking on the Commission's own motion into monitoring performance of operations support systems.

I97-10-017 - Related matters. On its own motion, by this decision the Commission converts non-working parity standards for a few Digital Subscriber Line performance sub-measures used in the Commission's Performance Incentives Plan. To make these standards workable, this decision converts these standards either to absolute "benchmarks" or to different parity comparisons. Parity standards compare an incumbent local exchange company's (ILEC) operations support system performance on behalf of competitive local exchange carrier customers to the ILEC's performance for its own customers.

(Comr Brown - ALJ Reed)

Outcome Signed

[D02-08-050](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**CA-9
900****Res T-16679 - Pacific Bell Telephone Company (Pacific).**

This resolution accepts Pacific's intrastate earnings advice letter filing subject to any correction or adjustments that may be appropriate as a result of any Commission decision. Pacific reported an intrastate rate of return of 12.55%. (Advice Letter (AL) 22800 filed April 2, 2002 and AL 22800A filed June 13, 2002).

Outcome Approved

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**CA-10
901****Res T-16681 - Citizens Telecommunications Company of California Inc. (CTC).**

This resolution accepts CTC's intrastate earnings advice letter filing subject to any corrections, adjustments, or refunds that may be appropriate as a result of any Commission decision. CTC reported an intrastate rate of return of 9.03%. (Advice Letter 741 filed April 2, 2002).

Outcome Approved

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**CA-11
902****Res T-16682 - Roseville Telephone Company (Roseville).**

This resolution accepts Roseville's intrastate earnings advice letter filing subject to any corrections, adjustments, or refunds that may be appropriate as a result of any Commission decision. Roseville reported an intrastate rate of return of 10.37%.

Outcome Approved

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

CA-12 906 R01-08-027 - Order Instituting Rulemaking on the Commission's proposed policies and programs governing low-income assistance programs.

This decision directs Alpine Natural Gas Company and West Coast Gas Company to augment their California Alternate Rates For Energy outreach activities. This decision allocates funding from Senate Bill X1 5 for this purpose. The Commission also directs these utilities to file post-2002 low-income assistance program plans and budgets by October 1, 2002, and to develop Low Income Energy Efficiency programs that are appropriate to the needs of their low-income customers.

(Comr Wood - ALJ Gottstein)

Outcome Signed

[D02-08-051](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

CA-13 907 I01-11-037 - Order Instituting Investigation on the Commission's own motion into the operations and practices of William Michael Gavin, an individual doing business as Affordable Apartment Movers.

This decision imposes a fine for violations of Household Goods Carriers law and regulations. This proceeding is closed.

(Comr Brown - ALJ Bushey)

Outcome Signed

[D02-08-052](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

CA-14 920 A00-11-038 - Southern California Edison Company (Edison).

For authority to institute a Rate Stabilization Plan with a rate increase and end of rate freeze tariffs. A00-11-056, A00-10-028 - Related matters. This decision awards Greenlining Institute and Latino Issues Forum \$221,709.81 in compensation for its contribution to D01-01-018 and D01-03-082.

(Comr Lynch - ALJ DeBerry)

(Agenda 3092, Item CA-34 8/8/2002 (Brown))

Outcome Held (9/5/02 Consent. Further review.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

**CA-15
921****Res T-16680 - Verizon California Inc. (Verizon).**

This resolution accepts Verizon's earnings Advice Letter subject to any corrections or adjustments that may be appropriate as a result of any Commission decision. Verizon reported a 16.10% rate of return including an adjustment to represent Yellow Page Directory revenue under a previous contract with their affiliate Verizon Information Services. Verizon also reported a rate of return of 13.24% without any adjustment. (Advice Letter 10059 filed April 2, 2002)

Outcome Approved

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**CA-16
934****C01-08-013 - Kenneth A. Adelman vs. Pacific Gas and Electric Company.**

On joint motion of the parties, the complaint is dismissed with prejudice. This proceeding is closed. (Comr Duque - ALJ Walker)

Outcome Signed

[D02-08-053](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**CA-17
944****A01-09-062 - California Water Service Company (CWS).**

For an order authorizing it to increase rates charged for water service at each of its operating districts to recover increased operating expenditures at its general office. A01-09-063, A01-09-064, A01-09-065, A01-09-066, A01-09-067, A01-09-068, A01-09-069, A01-09-070, A01-09-071, A01-09-072, A01-09-073, A01-09-074 - Related matters. This interim decision grants CWS's request for a memorandum account for decontamination treatment for four wells in the Salinas District. (Comr Duque - ALJ Bushey)

Outcome Signed

[D02-08-054](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**CA-18
946****A01-08-025 - Stonebridge Communications, Inc. (Applicant).**

This decision grants the Applicant a certificate of public convenience and necessity to resell local exchange telecommunications services. This proceeding is closed.

(Comr Wood - ALJ O'Donnell)

Outcome Signed

[D02-08-055](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**CA-19
948****Res E-3786 - Southern California Edison Company (SCE).**

This resolution grants SCE's request for approval of its Nonqualified Nuclear Decommissioning Trust Investment Management Agreement with Pacific Investment Management Company. (Advice Letter 1634-E filed July 3, 2002).

Outcome Approved

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**CA-20
950****A97-02-007 - County of Kern (County).**

For an order authorizing construction of a crossing at separated grades between Seventh Standard Road and the tracks of the Southern Pacific Transportation Company, referred to as the "Seventh Standard Road Overhead" (PUC No. B-305.9A). This decision grants the request of the County to modify D97-02-007, dated March 18, 1997, in A97-02-007, by substituting the previously authorized construction period vertical clearance of 21 feet 6 inches with a revised construction period vertical clearance of 21 feet 0 inches. This proceeding is closed.

(Exam Clark)

Outcome Signed

[D02-08-056](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**CA-21
951**

Res ST-57 - San Francisco Municipal Railway (Muni).

This resolution grants Muni's request to deviate from the high-level passenger platform personnel-refuge requirements of General Order 143-B, Section 9.07 for construction and operation of its Third Street light rail line.

Outcome Approved

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**CA-22
965**

A02-07-011 - City of Palo Alto (City).

This decision grants the request of the City to build a bicycle/pedestrian underpass under the tracks of Peninsula Joint Powers Board in Santa Clara County. This proceeding is closed.

(Exam Clark)

Outcome Signed

[D02-08-057](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**CA-23
980**

A02-05-018 - XO California, Inc. (XO California), and XO Long Distance Services, Inc. (XO Long Distance).

This decision grants XO California and XO Long Distance's application to indirectly transfer ownership and control through their parent company, XO Communications, Inc. from Craig O. McCaw to Forstmann Little & Co. and Telefonos de Mexico, S.A. de C.V. This proceeding is closed.

(Comr Brown - ALJ Grau)

Outcome Signed

[D02-08-058](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**CA-24
983**

A02-02-019 - Union Pacific Railroad Company (UP).

This decision grants the request of UP to construct a proposed spur track at grade across East Cooley Drive in Colton, San Bernardino County. This proceeding is closed.

(Exam Clark)

Outcome Signed

[D02-08-059](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**CA-25
986**

A02-03-045 - Winstar Wireless, Inc. and Winstar Communications, LLC. (Applicants).

This decision authorized Applicants to discontinue facilities-based local exchange and interexchange wireline services statewide, and fixed wireless services in the San Jose and San Diego markets. This proceeding is closed.

(Comr Peevey - ALJ Ryerson)

Outcome Signed

[D02-08-060](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**CA-26
992**

A00-01-009 - Southern California Edison Company (Edison).

For approval of new rates to be implemented at the end of the rate freeze period and other requested relief. This decision awards The Utility Reform Network \$17,521.28 in compensation for its contribution to D02-01-031. This proceeding is closed.

(Comr Lynch - ALJ DeBerry)

Outcome Signed

[D02-08-061](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**CA-27
(Rev.)
899**

R94-04-031 - Order Instituting Rulemaking on the Commission's proposed policies governing restructuring California's electric services industry and reforming regulation.

I94-04-032 - Related matters. In D00-12-036, the Commission extended two reporting requirements for utility distribution companies as originally ordered in D97-05-040 and D99-05-034. This decision would extend the reporting requirements through the month ending September 30, 2004. (Comr Peevey - ALJ Wong)

08/21/2002 - This item appeared as (2) on the agenda distributed to the public.

Outcome Signed

[D02-08-062](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

Regular Agenda**Utility and Transportation Orders****Orders Held Over****H-1 A00-12-026 - Pacific Gas and Electric Company (PG&E).**

38 For approval of agreements allowing access to electric distribution facilities for the installation and maintenance of telecommunications equipment. This decision grants PG&E authority to convert nine of the 13 license agreements into lease agreements. The remaining four agreements will be addressed in a future decision after further review of the agreements' compliance with Section 851 and the California Environmental Quality Act.

(Comr Lynch - ALJ Kenney)

(Agenda 3080, Item CA-9 1/23/2002 (Oshiro); Agenda 3087, Item CA-9 5/2/2002;

Agenda 3088, Item CA-28 5/16/2002; Agenda 3090, Item H-1 6/27/2002 (Duque);

Agenda 3091, Item H-2 7/17/2002)

Outcome Held (9/19/02. Further review.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

H-1a ALTERNATE TO ITEM 38

854 For approval of agreements allowing access to electric distribution facilities for the installation and maintenance of telecommunications equipment. The alternate decision concludes that the lease agreements are, in effect, licenses and therefore Public Utilities Code Section 851 is not applicable.

(Comr Duque)

(Agenda 3091, Item H-2a 7/17/2002)

Outcome Held (9/19/02. Further review.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

**H-2
93**

A98-12-005 - GTE Corporation (GTE) and Bell Atlantic Corporation (Bell Atlantic).

GTE to transfer and Bell Atlantic to acquire control of GTE's California utility subsidiaries which will occur indirectly as a result of GTE's merger with Bell Atlantic. This decision concerns awards for substantial contributions to D00-03-021. The decision modifies D01-09-045 by adding response to comments on the ALJ's draft decision. This proceeding is closed. (Agenda 3073, Item CA-26, 10/10/01).

(Comr Duque - ALJ Kotz)

(Agenda 3080, Item CA-24 1/23/2002 (Wood); Agenda 3081, Item CA-19 2/7/2002; Agenda 3090, Item H-2 6/27/2002 (Duque); Agenda 3091, Item H-3 7/17/2002)

Outcome Held (9/5/02 Consent Agenda. Further review.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

**H-3
169**

A99-08-021 - Pacific Fiber Link, L.L.C.

For modification of its certificate of public convenience and necessity to review proponent's environmental assessment for compliance with the California Environmental Quality Act. In this decision, the Commission is asked to decide whether penalties should apply to telecommunications carrier that began trenching and installing a fiber optic project in 1998 before it received the formal approval of this Commission under the California Environmental Quality Act (CEQA), Pub. Resources Code Sections 21000-21176. The utility in July 1999 was ordered by this Commission to stop work until it obtained formal CEQA approval six months later. Because the Commission in 1998 had no procedure in place for conducting a CEQA review for the type of utility involved, and because the utility was led to believe by Commission staff that an administrative CEQA approval was forthcoming, and because the utility itself retained environmental experts to monitor and direct its work, we conclude that, in the facts and circumstances of this case, no further sanctions are warranted. The staff appeal of the Presiding Officer's decision is denied. This proceeding is closed. (Agenda 3071, Item 5, 9/20/01).

(Comr Duque - ALJ Walker)

(Agenda 3084, Item H-3 3/21/2002 (Wood); Agenda 3090, Item H-4 6/27/2002 (Lynch); Agenda 3091, Item H-4 7/17/2002)

Outcome Defeated

Yes: (Duque)

No: (Brown, Lynch, Peevey, Wood)

Abstain: (none)

Absent: (none)

H-3a (Rev.) ALTERNATE TO ITEM 169**731**

COMMISSIONER WOOD'S ORDER RE ITEM 169. This order finds the Pacific Fiber Link violated Rules 17.1 and 28, as well as Section 702 of the Public Utilities Code and fines the Company \$378,000.

(Agenda 3090, Item H-4a 6/27/2002 (Lynch); Agenda 3091, Item H-4a 7/17/2002)

08/20/2002 - This revision was not shown on the Agenda mailed to the public.

Outcome Defeated

Yes: (Lynch, Wood)

No: (Brown, Duque, Peevey)

Abstain: (none)

Absent: (none)

H-3b (Rev.) ALTERNATE TO ITEM 169**928**

COMMISSIONER BROWN'S ORDER RE ITEM 169. This alternate decision finds that the utility began construction wrongfully, in violation of Pub. Util. Code § 702 and Commission Rule 17.1.

Because of mitigating circumstances the decision assessment is for the minimum penalty, in the amount of \$22,500.

08/20/2002 - This revision was not shown on the Agenda mailed to the public.

Outcome Signed (Comr. Wood will file a dissent.)

[D02-08-063](#)

Yes: (Brown, Duque, Peevey)

No: (Lynch, Wood)

Abstain: (none)

Absent: (none)

**H-4 (Rev.)
623****R93-04-003 - California Public Utilities Commission.**

Rulemaking on the Commission's own motion to govern open access to bottleneck services and establish a framework for Network Architecture Development of Dominant Carrier Networks. I93-04-002 - Related matters. This decision adopts permanent Unbundled Network Element rates for the High Frequency Portion of the Loop (HFPL) for both Pacific Bell Telephone Company (Pacific) and Verizon California Inc. (Verizon). The decision finds that establishing a separate rate for the HFPL allows Pacific and Verizon to over-recover their loop costs, since they currently recover the full cost of the loop through rates for the unbundled loop. Pacific and Verizon are required to return HFPL revenues to ratepayers through a surcredit on residential and business basic exchange customers bills.

(Comr Wood - ALJ Jones)

(Agenda 3089, Item 3 6/6/2002; Agenda 3091, Item H-6 7/17/2002; Agenda 3092, Item H-2 8/8/2002 (Wood))

08/16/2002 - This revision was not shown on the Agenda mailed to the public.

Outcome Held (9/19/02. Possible alternate.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

**H-5
668****I01-06-047 - Investigation into the natural gas procurement practices of the Southwest Gas Company (Southwest).**

This decision disallows \$2,691,675 in gas procurement costs by Southwest for April 2000 through March 2001. This decision also orders rebates to customers. This proceeding is closed.

(Comr Wood - ALJ Sullivan)

(Agenda 3092, Item 1 8/8/2002 (Duque))

Outcome Signed (Comr. Brown will file a concurrence. Comr. Wood will file a concurrence. Pres. Lynch will join Comr. Wood's concurrence.)

[D02-08-064](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

H-5a (Rev.) ALTERNATE TO ITEM 668**676**

This alternate differs from the proposed decision (PD) in only the magnitude of the resulting disallowance. Both versions find that Southwest Gas was imprudent for having failed to more fully utilize its storage capability or enter into procurement contracts to ensure stable prices during the winter of 2000-2001. The PD disallows \$2.691 million in gas purchase costs, while this alternate disallows \$5.621 million.

(Comr Wood)

(Agenda 3092, Item 1a 8/8/2002)

08/16/2002 - This revision was not shown on the Agenda mailed to the public.

Outcome Defeated

Yes: (Lynch, Wood)

No: (Brown, Duque, Peevey)

Abstain: (none)

Absent: (none)

H-5b ALTERNATE TO ITEM 668**887**

This alternate differs from the proposed decision in only the magnitude of the resulting disallowance. This alternate disallows \$1.433 million in gas purchase costs.

(Comr Duque)

(Agenda 3092, Item 1b 8/8/2002)

Outcome Defeated

Yes: (Duque, Peevey)

No: (Brown, Lynch, Wood)

Abstain: (none)

Absent: (none)

Closed Session

This notice is furnished under Government Code Sections 11125 and 11126.3. The Commission will meet in Closed Session following the Public Session of its regularly scheduled meeting. In the Closed Session, the Commission may consider personnel matters as provided under Government Code Section 11126(a), institution of proceedings or disciplinary actions against any person or entity under the jurisdiction of the Commission as provided under Government Code Sections 11126(d)(2) and 11126(e)(2)(C)(i), and pending litigation as provided under Government Code Section 11126(e). Additional items may be added to the closed session agenda pursuant to Gov. Code Section 11126.3(d). If in Closed Session the Commission votes to appoint, employ, or dismiss a public employee, the Commission will thereafter reconvene in Open Session to make the

Non-Federal Items

Orders Held Over

HEX-7

929

R97-04-011 - Conference with Legal Counsel - Application for Rehearing.

I97-04-012 - Related matters. Disposition of Application for Rehearing of Decision D02-02-046 filed by Pacific Gas & Electric Company (PG&E). D02-02-046 revised the disclaimer requirement set forth in Section V.F.1 of the Affiliate Transaction Rules and considered the implications of this revision on the penalty assessed against PG&E in D98-11-026 and D99-03-025, resulting in a reduced penalty for PG&E's violation of the legibility requirement of Affiliate Transaction Rule Section V.F.1.

(Agenda 3092, Item EX-9 8/8/2002)

Outcome Held (Item discussed and held to 9/19/02.)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

HEX-8

931

A01-07-006 - Conference with Legal Counsel - Application for Rehearing.

Disposition of application for rehearing of D02-04-005 filed by Pacific Gas and Electric Company (PG&E). D02-04-005 approved the sale by PG&E of 4.09 acres of land to the City and County of San Francisco. As explained in D02-04-005, the sale is in the public interest because it would allow PG&E to eliminate the costs of ownership while retaining ability to maintain electrical lines passing through the property. At the same time, a rulemaking should be instituted to address the allocation of the net proceeds of this transaction between ratepayers and shareholders.

(Agenda 3092, Item EX-10 8/8/2002)

Outcome Held (9/5/02)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

Orders**EX-5 A00-11-038 - Conference with Legal Counsel – Application for Rehearing.****905**

A00-11-056, A00-10-028 - Related matters. Disposition of application for rehearing of D02-03-058 filed by Pacific Gas and Electric Company (PG&E). In D02-03-058, the Commission determined that certain “Disputed ISO Charges,” which had been paid by California Department of Water Resources (DWR), were properly part of PG&E and Southern California Edison Company’s (Edison) utility retained generation revenue requirements. Thus, D02-03-058 ordered PG&E and Edison to reimburse DWR for these charges.

Outcome Held (9/5/02)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

EX-6 C99-10-037 - Conference with Legal Counsel - Application for Rehearing.**955**

Disposition of Application for Rehearing of D02-04-051 filed by Southern California Edison Company (Edison). In D02-04-051, the Commission granted the Complainant County Sanitation District No. 2 of Los Angeles County's motion for summary judgment as to the 3rd cause of action of its complaint against Edison. The third cause of action alleged a violation of Edison’s Tariff Rule 12.

Outcome Held (9/5/02)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

EX-7 I00-05-020 - Conference with Legal Counsel – Application for Rehearing.**958**

Disposes of the application by the Union Pacific Railroad Company (Union Pacific) for the rehearing of D02-04-017, which finds that the Keene Water System, operated by Union Pacific, is dedicated to public use and is a public utility water system under PU Code §2701.

Outcome Signed[D02-08-075](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

- EX-8**
959 **A99-12-013 - Conference with Legal Counsel - Application for Rehearing.**
Disposition of Application for Rehearing of D00-05-011, filed by Southern California Edison Company. In this decision, the Commission approved, pursuant to Public Utilities Code Section 851, the sale of certain electric metering and metering related facilities to the City of Anaheim.
Outcome Held (9/19/02)
Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)
- EX-9**
960 **R01-08-028 - Conference with Legal Counsel - Application for Rehearing.**
Disposition of the application for rehearing of D02-05-046 filed by Pacific Gas and Electric Company on June 17, 2002. The decision selected local energy efficiency programs for 2002-2003 and awarded \$102,030,037 in local energy efficiency funds to a combination of entities.
Outcome Signed
D02-08-076
Yes: (Brown, Duque, Lynch, Peevey, Wood)
No: (none)
Abstain: (none)
Absent: (none)
- EX-10**
961 **A99-11-025 - Conference with Legal Counsel - Application for Rehearing.**
Disposition of the application for rehearing of D01-10-029 filed by Pacific Gas & Electric Company (PG&E) on November 13, 2001. The decision granted PG&E's application for a certificate of public convenience and necessity for the proposed Tri-Valley 2002 Capacity Increase Project.
Outcome Withdrawn
Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)
- EX-11**
962 **A99-09-029 - Conference with Legal Counsel - Application for Rehearing.**
Disposition of the applications for rehearing of D01-05-059 and D01-12-017 filed by Pacific Gas and Electric Company (PG&E) on June 18, 2001 and January 11, 2002, respectively. The decisions granted PG&E's application for certificate of public convenience and necessity for the Northeast San Jose Transmission Reinforcement project.
Outcome Withdrawn
Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

**EX-12
974****A01-07-036 - Conference with Legal Counsel - Application for Rehearing.**

Disposition of Application for Rehearing filed by Southern California Edison Company (SCE). In D02-06-025, the Commission denied without prejudice SCE's Section 851 application for authority to lease property to Power Storage Industry II, LLC.

Outcome Signed (Comr. Duque will file a dissent)

D02-08-077

Yes: (Brown, Lynch, Peevey, Wood)

No: (Duque)

Abstain: (none)

Absent: (none)

Federal Items

Items

FEX-2

Case No. 01 30923 DM - Conference with Legal Counsel - Existing Litigation.

883

Pacific Gas and Electric Company (Debtor), United States Bankruptcy Court, Northern District of California, San Francisco Division, Case No. 01 30923 DM.

Outcome Approved-Staff Recommendation (Item discussed in the Executive Session; results announced in the public session.)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

Regular Agenda

Utility and Transportation Orders *Orders Held Over*

**H-6
703 R97-08-001 - Rulemaking on the Commission's own motion to consider adoption of rules applicable to interexchange carriers for the transfer of customers including establishing penalties for unauthorized transfer.**

I97-08-002 - Related matters. This decision modifies the hourly rates for attorneys Brown and Gnaizda, but denies the remainder of the Petition for Modification of D01-09-011 filed by Latino Issues Forum and Greenlining Institute on the grounds that the Commission is not persuaded to modify the decision.

(Comr Brown - ALJ Bushey)

(Agenda 3090, Item 4 6/27/2002 (Wood); Agenda 3091, Item H-8 7/17/2002; Agenda 3092, Item H-3 8/8/2002 (Brown))

Outcome Held (9/5/02. Further consideration.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

**H-7
706 A01-01-021 - Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E).**

This decision authorizes SoCalGas and SDG&E to consolidate their gas supply portfolios and management of gas acquisition; to review rules for noncore customers to procure gas; to permit core-customers of wholesale customer to obtain gas on the same terms as core customers of the utilities, provided that reacquired El Paso capacity will be assigned to the consolidated gas supply portfolio; and permits the consolidated management to provide tolling service to SDG&E. This proceeding is closed.

(Comr Duque - ALJ Barnett)

(Agenda 3089, Item 7 6/6/2002; Agenda 3090, Item H-11 6/27/2002 (Brown); Agenda 3091, Item H-9 7/17/2002)

Outcome Defeated

Yes: (Duque, Peevey)

No: (Brown, Lynch)

Abstain: (Wood)

Absent: (none)

**H-7a
707****ALTERNATE TO ITEM 706**

This decision declines to authorize consolidation of Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company's gas supply portfolios and management of gas acquisition, and provides wholesale customers of SoCalGas and other gas utilities that serve core customers to have first option to SoCalGas' El Paso interstate capacity that reverts to SoCalGas control before 2006.

(Comr Lynch)

(Agenda 3089, Item 7a 6/6/2002; Agenda 3090, Item H-11a 6/27/2002 (Brown); Agenda 3091, Item H-9a 7/17/2002)

Outcome Signed

[D02-08-065](#)

Yes: (Brown, Lynch, Peevey)

No: (Duque)

Abstain: (Wood)

Absent: (none)

**H-8 (Rev.)
709****A00-10-045 - San Diego Gas & Electric Company (SDG&E).**

For an order implementing Assembly Bill 265. A01-01-044 - Related matters. This order addresses SDG&E's motions for reconsideration by the full Commission of the Assigned Commissioner's Ruling directing (1) Service of Documents and (2) Filing of Notice of Ex Parte Communication, and for issuance of an immediate stay of said ruling.

(Comr Wood - ALJ Wetzell)

(Agenda 3089, Item 8 6/6/2002; Agenda 3091, Item H-10 7/17/2002)

08/20/2002 - This revision was not shown on the Agenda mailed to the public.

Outcome Held (9/19/02. Further consideration and possible alternate.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

H-9 A98-07-003 - Pacific Gas and Electric Company (PG&E).**729**

For verification, consolidation and approval of costs and revenues in the Transition Revenue Account. In D99-06-058 the Commission ordered an audit of the Power Exchange energy credits (PX credits) of Southern California Edison Company, PG&E, and San Diego Gas & Electric Company. An audit was deemed necessary to insure that the PX credit on a direct access customer's bill was accurate. No termination date was set, but we provided for its eventual termination, should circumstances change. This decision grants the three utilities' petition to terminate the audit at the end of 2000. The PX credit ended when the PX suspended operations in January 2001. There is no purpose in continuing the audit. This proceeding is closed.

(Comr Wood - ALJ Barnett)

(Agenda 3091, Item 3 7/17/2002)

Outcome Held (9/5/02. Further review.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

H-10 A02-03-012 - Level 3 Communications, LLC (Level 3).**798**

Level 3 filed this application to provide local exchange services in the service territories of Citizens Telecommunications Company of the Golden State, Inc., Evans Telephone Company, and Sierra Telephone Company, Inc. This decision denies the application because the Commission has not opened the requested service areas to local exchange competition. This decision also establishes requirements Applicant will have to meet for filing a notice of a request to an incumbent local exchange carrier for interconnection, services, or network elements, pursuant to Section 251(f) of the Telecommunications Act of 1996. This proceeding is closed.

(Comr Peevey - ALJ O'Donnell)

(Agenda 3092, Item 2 8/8/2002 (Peevey))

Outcome Withdrawn

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

**H-11
833**

(ECP) C02-03-024 - Priscilla A. Ferreri (Complainant) vs. Verizon California, Inc.

Complainant seeks cancellation of telephone toll charges on the ground that the calls were not made from her computer to access the internet. Held: the toll calls were not made by complainant nor did she authorize the use of the toll number. The \$218.04 in toll charges is cancelled, and money on deposit with the Commission is disbursed to complainant. This proceeding is closed.

(Comr Peevey - ALJ Barnett)

(Agenda 3091, Item 11 7/17/2002)

Outcome Signed

[D02-08-066](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**H-12
834**

R95-04-043 - Order Instituting Rulemaking on the Commission's own motion into competition for local exchange service.

I95-04-044 - Related matters. By this decision, the Commission adopts rules regarding movement of the Minimum Point of Entry (MPOE) and/or the Local Loop Demarcation Point (LLDP), and the ownership of Service Provisioning Cross-Connects (SPCs). The adopted rules are included as Attachments A and B to this decision. The rules provide that the utility shall relocate the MPOE/LLDP at the property owner's request. The costs of the relocation will be paid by the property owner. The rules also provide that SPCs shall be owned by the facilities-based carrier that provides service to the customer.

(Comr Peevey - ALJ O'Donnell)

(Agenda 3092, Item 3 8/8/2002 (Peevey))

Outcome Signed

[D02-08-067](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**H-13
848**

A02-01-042 - Pacific Gas and Electric Company (PG&E).

This decision denies PG&E's application for approval of an Amendment to the Power Purchase Agreement between PG&E and Oildale Energy LLC, a California limited liability company. This proceeding is closed.

(Comr Wood - ALJ DeBerry)

(Agenda 3092, Item CA-10 8/8/2002 (Peevey))

Outcome Defeated

Yes: (Lynch, Wood)

No: (Brown, Duque, Peevey)

Abstain: (none)

Absent: (none)

**H-13a
991****ALTERNATE TO ITEM 848**

This alternate decision approves Pacific Gas and Electric Company's (PG&E) application for an Amendment to the Power Purchase Agreement between PG&E and Oildale Energy LLC, a California limited liability company.

(Comr Peevey)

Outcome Signed (Comr. Wood will file a dissent)

[D02-08-068](#)

Yes: (Brown, Duque, Peevey)

No: (Lynch, Wood)

Abstain: (none)

Absent: (none)

**H-14
936**

R_____ - Order Instituting Rulemaking to implement the provisions of Public Utilities Code § 761.3, enacted by Chapter 19 of the 2001-02 Second Extraordinary Legislative Session.

This proceeding is opened to implement Pub. Util. Code §761.3, which confirms the authority of the Commission to address electric generation facility issues. The purpose of this proceeding is to develop rules to (1) enforce California Independent System Operator outage scheduling protocols and (2) implement and enforce the generator operation and maintenance standards that will be adopted by the California Electric Generation Facilities Standards Committee, established by the statute.

(Comr Wood)

(Agenda 3092, Item 6 8/8/2002 (Wood))

Outcome Held (9/19/02. Further drafting.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

Orders**1
890 A96-10-038 - Pacific Enterprises, Enova Corporation, Mineral Energy Company, B Mineral Energy Sub and G Mineral Energy Sub.**

For approval of a Plan of Merger of Pacific Enterprises and Enova Corporation with and into B Energy Sub ("Newco Pacific Sub") and G Energy Sub ("Newco Enova Sub"), the wholly-owned subsidiaries of a newly created holding company, Mineral Energy Company. In D98-03-073, the Commission approved the merger of San Diego Gas & Electric Company and Southern California Gas Company, subject to certain conditions. One of those conditions was that an independent firm should be hired to audit and ensure compliance with applicable safeguards. Larkin & Associates performed the Audit and submitted its report. The report finds that the merged companies complied with the applicable Safeguards but that some changes in the merger conditions are needed. This decision approves the Larkin report and most of its recommendations. Some recommendations are not approved. This proceeding is closed.

(Comr Duque - ALJ Barnett)

Outcome Held (9/5/02. Further review.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

**3
910 R93-04-003 - Rulemaking on the Commission's own motion to govern open access to bottleneck services and establish a framework for network architecture development of dominant carrier networks.**

I93-04-002, R95-04-043, I95-04-044 - Related matters. This decision grants, conditioned on Pacific Bell Telephone Company's (Pacific) compliance with the directives set forth in this decision, Pacific's renewed motion for an order that it has satisfied a substantial majority of the 14-point checklist in Section 271 of the Telecommunications Act of 1996. Concurrently, this decision denies Pacific's motion for an order that it has satisfied the requirements of California Public Utilities Code Section 709.2.

(Comr Brown - ALJ Reed)

Outcome Held (9/19/02. To comply with Federal District Court Order to vacate the UNE shared and common cost allocator.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

-
- 4**
912 **C01-03-028 - Paul Higginbotham vs. Pacific Bell Telephone Company (Pacific Bell).**
C01-05-059, C01-05-068, C01-07-023, C01-11-008 - Related matters. This decision finds that Pacific Bell unreasonably ceased publishing local toll prefix information in its directories and orders that such publication resume. This proceeding is closed.
(Comr Brown - ALJ Bushey)
Outcome Signed
[D02-08-069](#)
Yes: (Brown, Duque, Lynch, Peevey, Wood)
No: (none)
Abstain: (none)
Absent: (none)
- 5**
922 **A01-10-011 - Pacific Gas and Electric Company (PG&E).**
Application proposing a market structure and rules for the Northern California natural gas industry for the period beginning January 1, 2003 as required by Commission Decision 01-09-016. This decision addresses the joint motion filed on May 20, 2002, seeking Commission approval of the Gas Accord II Settlement Agreement. The settlement agreement, among other things, would extend the existing Commission-approved market structure, rates, tariffs, and terms and conditions of service, for PG&E's gas transmission and storage system.
(Comr Lynch - ALJ Wong)
Outcome Signed
[D02-08-070](#)
Yes: (Brown, Duque, Lynch, Peevey, Wood)
No: (none)
Abstain: (none)
Absent: (none)
- 6**
952 **R01-10-024 - Order Instituting Rulemaking to establish policies and cost recovery mechanisms for generation procurement and renewable resource development.**
This interim decision addresses the transitional procurement issues, to include the May 6, 2002 motion of Southern California Edison Company for an interim decision granting approval of process for early procurement of capacity.
(Comr Lynch - ALJ Walwyn)
Outcome Defeated (Comr. Wood abstained under protest.)
Yes: (Lynch)
No: (Brown, Duque, Peevey)
Abstain: (Wood)
Absent: (none)
-

6a ALTERNATE TO ITEM 952

953 The alternate removes discussion of QF issues which will be addressed in a subsequent decision.
(Comr Lynch)

Outcome Withdrawn

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

6b (Rev.) ALTERNATE TO ITEM 952

982 This alternate differs from the proposed decision in that it recommends a more streamlined processes for respondent utilities to contract for their residual net short power with the Department of Water Resources. It also increases the amount of power that may be purchased and allows for more long term contracts. Other issues are deferred to later decisions.

(Comr Peevey)

08/21/2002 - This revision was not shown on the Agenda mailed to the public.

Outcome Signed ((Items 6, 6a & 6b were on the Held List posted on the Web. Upon a motion by Comr. Peevey the Commission voted 3-2 to not hold items 6, 6a and 6b. Pres. Lynch and Comr. Wood dissented.) Comr. Wood abstained under protest. Comr. Lynch will file a dissent. Comr. Wood will file a statement of abstention.)

[D02-08-071](#)

Yes: (Brown, Duque, Peevey)

No: (Lynch)

Abstain: (Wood)

Absent: (none)

7 I02-07-014 - Investigation on the Commission's own motion into the San Francisco Airport's
963 refusal to comply with California Public Utilities Code Section 99152 and 164-B and order to
show cause why the Airport should not be ordered to complete a system safety program plan
prior to commencement of the Airport's operations of its AirTrain transportation system.

This decision deals with a System Safety Program Plan for the AirTrain operation at San Francisco International Airport.

(Comr Brown - ALJ Walker)

Outcome Signed

[D02-08-072](#)

Yes: (Brown, Duque, Lynch, Wood)

No: (none)

Abstain: (Peevey)

Absent: (none)

8
985

A01-02-024 - AT&T Communications of California, Inc. and WorldCom, Inc.

For the Commission to reexamine the recurring costs and prices of unbundled switching in its First Annual Review of Unbundled Network Element Costs pursuant to Ordering Paragraph 11 of D99-11-050. A01-02-035, A02-02-031, A02-02-032, A02-02-034, A02-03-002 - Related matters. This decision modifies D99-11-050 to remove a restriction in that order on review of the shared and common cost mark-up in the annual cost re-examination proceeding. This modification is made in response to the remand order of the U.S. District Court (Northern District) in AT&T Communications of California v. Pacific Bell Telephone Co. (No. C 01-02517). The assigned Administrative Law Judge will issue a subsequent ruling allowing parties an opportunity to comment on how the Commission should correct the double-counting error found by the U.S. District Court. (Comr Wood - ALJ Duda)

Outcome Signed

[D02-08-073](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

Utilities Resolutions and Written Reports**Energy Matters****E-1 Res E-3781 - San Diego Gas & Electric (SDG&E).**

794 This resolution denies without prejudice SDG&E's proposal to return \$168 million overcollected in the Transition Cost Balancing Account (TCBA) as of March 31, 2002 to AB X1 43 customers.

(Advice Letter 1405-E filed May 10, 2002)

(Agenda 3091, Item E-1 7/17/2002; Agenda 3092, Item E-1 8/8/2002 (Peevey))

Outcome Held (9/19/02. Further review.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

E-1a ALTERNATE TO ITEM 794

842 Urgent request to return \$168 million overcollected in the transition cost balancing account to San Diego Gas & Electric Company customers. Approximately \$52 million of the overcollection will be credited towards the Assembly Bill 265 undercollection while the remainder of the balance will be returned to large customers.

(Advice Letter 1405-E filed on May 10, 2002)

(Comr Peevey)

(Agenda 3091, Item E-1a 7/17/2002; Agenda 3092, Item E-1a 8/8/2002)

Outcome Held (9/19/02. Further review.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

E-2 Res G-3318 - Pacific Gas and Electric Company (PG&E).

860 This resolution denies PG&E's request to prohibit noncore customers who use 3 million or more therms per year per meter from obtaining core service and to impose a five-year core service commitment on eligible noncore customers that do switch to core service. (Advice Letter (AL) 2326-G filed July 2, 2001, and AL 2326-G-A filed September 26, 2001).

(Agenda 3092, Item E-2 8/8/2002)

Outcome Approved

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

-
- E-3
904** **Res E-3697 - Southern California Edison Company (Edison).**
Edison requests authorization to continue offering its Telephone Solicitation Service for Newspapers and to establish a new non-tariffed product and service category entitled Newspaper Solicitation Service. In addition, Edison requests that the Newspaper Solicitation Service be considered "active" for purposes of its gross revenue sharing mechanism. Lastly, Edison requests a limited waiver of Rule IV.A, Customer Consent, of the Affiliate Transaction Rules. This resolution approves Edison's requests with modifications. (Advice Letter 1436-E filed February 22, 2000).
Outcome Held (9/5/02. Further consideration.)
Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)
- E-4
913** **Res E-3777 - Pacific Gas and Electric Company (PG&E).**
This resolution approves, with modifications, PG&E's Advice Letter (AL) 2124-E, which revises PG&E's Standard Rate Schedules, Schedule S-Standby Service, Preliminary Statement-Distributed Energy Resources Memorandum Account, and Form 79-285-Special Agreement for Electrical Standby Service. The AL was filed to implement Senate Bill X1-28, which added Article 3.5 to the California Public Utilities Code to implement tariff provisions related to distributed energy resources. (Advice Letter 2124-E filed June 11, 2001)
Outcome Approved
Yes: (Brown, Duque, Lynch, Peevey, Wood)
No: (none)
Abstain: (none)
Absent: (none)
- E-5
914** **Res E-3778 - Southern California Edison Company (Edison).**
This resolution approves Edison's Advice Letter (AL) 1551-E, which revises Rule 1-Definitions and Schedule S-Standby Service. Edison's proposed Distributed Energy Resources Generation Memorandum Account is approved with modifications. The AL was filed to implement Senate Bill X1-28, which added Article 3.5 to the California Public Utilities Code to implement tariff provisions related to distributed energy resources. (Advice Letter 1551-E filed June 11, 2001)
Outcome Approved
Yes: (Brown, Duque, Lynch, Peevey, Wood)
No: (none)
Abstain: (none)
Absent: (none)
-

E-6 Res E-3779 - San Diego Gas & Electric Company (SDG&E).

915 This resolution approves, with modifications, SDG&E's Advice Letter (AL) 1335-E, which adds new residential and non-residential Distributed Energy Resource Rate Schedules, revises Schedule S-Standby Service, and revises the Preliminary Statement to add a Distributed Energy Resources Memorandum Account. The AL was filed to implement Senate Bill X1-28, which added Article 3.5 to the California Public Utilities Code to implement tariff provisions related to distributed energy resources. (Advice Letter 1335-E filed June 11, 2001)

Outcome Approved

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

E-7 Res E-3782 - San Diego Gas & Electric Company (SDG&E).

926 This resolution approves with modifications SDG&E's request to implement an hourly metering and pricing pilot program which will be in effect through September 30, 2003, and will test customer acceptance, demand response, behind-the-meter energy management technologies, and billing processes associated with dynamic retail energy commodity pricing. (Advice Letter 1406-E filed May 10, 2002, and AL 1406-E-A filed May 16, 2002)

Outcome Approved

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

Telecommunications Matters**C-1 (Rev.) Res T-16663 - Deaf and Disabled Telecommunications Equipment and Services Program
873 (DDTP).**

This resolution establishes a 2002-2003 budget of \$55,458,600 for the DDTP pursuant to the provisions of D89-05-060 and Public Utilities Code Sections 2881, et seq. The resolution recommends that the surcharge rate of 0.48%, effective September 1, 2001 per Resolution T-16504, be decreased to 0.30% as of October 1, 2002.

08/21/2002 - This revision was not shown on the Agenda mailed to the public.

Outcome Approved

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

Rail Safety and Carrier Division Reports and Resolutions**T-1 Res SX-41****701**

This resolution authorizes the adoption of Guidelines For The Use of Four Quadrant Gates in connection with the installation of four quadrant gate systems at highway-rail grade crossings in the State of California. Gate run-around is a problem at some highway-rail grade crossings. The normal installation of crossing gates covers only the right side of the road. It is possible to go around the gates by driving on the wrong side of the road. Four quadrant gates cover both sides of the road, making it more difficult for motorists to go around the gates. Commission Resolution SX-31 authorized a rule change to General Order No. 75-C, adding Section 6.71 to allow the use of four quadrant gates. This resolution would follow up on that by adopting guidelines for the use of four quadrant gates. (Agenda 3064, Item CA-29, 5/24/01; Agenda 3067, Item T-1 7/12/01)
(Agenda 3089, Item T-1 6/6/2002; Agenda 3090, Item T-1 6/27/2002 (Clark); Agenda 3091, Item T-1 7/17/2002; Agenda 3092, Item T-1 8/8/2002)

Outcome Withdrawn

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

T-2 SX-49**791**

This resolution authorizes the deviation from General Order No. 75-C, Section 7.8, allowing the Union Pacific Railroad Company to retain the use of 20-inch backgrounds installed on its railroad crossing warning devices currently in operation.
(Agenda 3091, Item T-2 7/17/2002; Agenda 3092, Item T-2 8/8/2002)

Outcome Held (9/5/02)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

Legal Division Matters***Resolutions and Memorandums*****L-1
908****Res L-301**

This resolution proposes an interim funding mechanism for travel and administrative expenses of the Low-Income Oversight Board's (LIOB) meetings until the effective date of the new funding mechanism of the Legislation that created the LIOB.

Outcome Approved

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

Commissioner's Reports**CR-1****Commissioners' Reports****876**

Miscellaneous Commissioners' Reports

Outcome Information Only

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

CR-2**Commissioner Brown and Commissioner Peevey Report****935**

Commission Policies and Guidelines pursuant to Public Utilities Code Section 305, including: Public Agenda, decision document notation, access to and distribution of documents and reports.

(Agenda 3092, Item CR-2 8/8/2002 (Brown))

Outcome Held (9/5/02. Further review.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

CR-3**Commissioner Brown and Commissioner Peevey Report****795**

A00-10-045 & A01-01-044 - San Diego Gas & Electric Company. Discussion of, and action on, procedural aspects of the proposed settlement of SDG&E v. Loretta Lynch, et al., U.S. District Court (S.D. Cal.), Case No. 02CV 339 BTM (JAH), a copy of which has been provided to the parties in this proceeding.

(Agenda 3090, Item CR-3 6/27/2002 (Peevey); Agenda 3091, Item CR-3 7/17/2002;

Agenda 3092, Item CR-3 8/8/2002 (Peevey))

Outcome Held (10/17/02. Further consideration)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

Management Reports and Resolutions**M-1 Management Reports****877** Miscellaneous Management Reports.**Outcome Withdrawn**

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

M-2 General Counsel's Report**984** Possible Addendum/Changes to Summary of Material Terms for Department of Water Resources' bond transaction.**Outcome Withdrawn**

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

Closed Session

This notice is furnished under Government Code Sections 11125 and 11126.3. The Commission will meet in Closed Session following the Public Session of its regularly scheduled meeting. In the Closed Session, the Commission may consider personnel matters as provided under Government Code Section 11126(a), institution of proceedings or disciplinary actions against any person or entity under the jurisdiction of the Commission as provided under Government Code Sections 11126(d)(2) and 11126(e)(2)(C)(i), and pending litigation as provided under Government Code Section 11126(e). Additional items may be added to the closed session agenda pursuant to Gov. Code Section 11126.3(d). If in Closed Session the Commission votes to appoint, employ, or dismiss a public employee, the Commission will thereafter reconvene in Open Session to make the

Non-Federal Items

Orders Held Over

- HEX-1** **C99-01-039 - Conference with Legal Counsel-Application for Rehearing**
172 Disposition of the Application for Rehearing filed by Greenlining Institute and Latino Issues Forum of D01-04-037, which denied a complaint regarding tariffing and billing for commercial customers for voicemail services.
 (Agenda 3067, Item EX-7, 7/12/01; Agenda 3073, Item HEX-1, 10/10/01)
 (Agenda 3087, Item HEX-1 5/2/2002; Agenda 3088, Item HEX-1 5/16/2002; Agenda 3089, Item HEX-1 6/6/2002; Agenda 3090, Item HEX-1 6/27/2002 (Lynch); Agenda 3091, Item HEX-1 7/17/2002)
 Outcome Held (9/5/02)
 Yes: (none)
 No: (none)
 Abstain: (none)
 Absent: (none)
- HEX-2** **I99-07-003 - Conference with Legal Counsel – Applications for Rehearing**
361 Disposition of Application for Rehearing of D01-12-018 filed by the Southern California Generation Coalition, The Utility Reform Network and the Department of General Services. The decision adopted the Comprehensive Gas Settlement for the market and regulatory framework for Southern California Gas Company and San Diego Gas & Electric Company.
 (Agenda 3085, Item EX-5 4/4/2002 (Lynch); Agenda 3089, Item HEX-4 6/6/2002; Agenda 3091, Item HEX-2 7/17/2002)
 Outcome Held (9/19/02)
 Yes: (none)
 No: (none)
 Abstain: (none)
 Absent: (none)

**HEX-3
431****I99-04-020, A99-09-038 - Conference with Legal Counsel - Application for Rehearing**

Disposition of Application for Rehearing of D01-09-017 filed by Vista Group International, Inc. (Vista). In D01-09-017, the Commission found that Vista's telemarketers violated Public Utilities Code Section 2889.5, and that the acts of the telemarketers should be imputed to Vista. The Commission imposed a fine of \$7.0 million on Vista pursuant to Public Utilities Code Sections 2107 and 2108 and required Vista to complete its restitution process by providing \$20 per business line to customers identified in the proceeding whose disputes Vista had not addressed.

(Agenda 3086, Item EX-5 4/22/2002; Agenda 3087, Item HEX-3 5/2/2002; Agenda 3089, Item HEX-3 6/6/2002; Agenda 3091, Item HEX-3 7/17/2002)

Outcome Signed

[D02-08-074](#)

Yes: (Brown, Duque, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

**HEX-4
827****A99-09-029 - Conference with Legal Counsel – Application for Rehearing.**

Disposition of the applications for rehearing of D01-05-059 and D01-12-017 filed by Pacific Gas and Electric Company (PG&E) on June 18, 2001 and January 11, 2002, respectively. The decisions granted PG&E's application for certificate of public convenience and necessity for the Northeast San Jose Transmission Reinforcement project.

(Agenda 3092, Item EX-5 8/8/2002)

Outcome Held (9/19/02)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

**HEX-5
828****A99-11-025 - Conference with Legal Counsel - Application for Rehearing.**

Disposition of the application for rehearing of D01-10-029 filed by Pacific Gas & Electric Company (PG&E) on November 13, 2001. The decision granted PG&E's application for a certificate of public convenience and necessity for the proposed Tri-Valley 2002 Capacity Increase Project.

(Agenda 3092, Item EX-6 8/8/2002)

Outcome Held (9/19/02)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

**HEX-6
917****A00-10-012 - Conference with Legal Counsel - Application for Rehearing.**

A01-06-011, A00-11-050, A00-11-040, A00-11-034, A00-11-033, A00-11-032, A00-11-029, A00-11-016, A00-11-015, A00-10-050, A00-10-039, A00-10-033, A00-10-020 - Related matters. Order disposing of applications for rehearing of D02-05-047 filed by Citizens Against the Blue Line At-Grade and Mt. Washington Association. D02-05-047 approved applications of the Los Angeles to Pasadena Metro Blue Line Construction Authority to construct at-grade crossings for the proposed light rail service between the Union Station in Los Angeles and Sierra Madre Boulevard in Pasadena.

(Agenda 3092, Item EX-8 8/8/2002)

Outcome Held (9/5/02)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)